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The Director of Central Intelligence

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National Intelligence Council

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MEMORANDUM FOR: Distribution

FROM: Andre LeGallo  
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SUBJECT: April Warning and Forecast Report

1. The monthly warning meeting on terrorism was held on 22 April. Following is my report on the topics covered.

2. Decline in Leftist Terrorism in Europe. CIA briefed on the status of terrorism in Western Europe, the significant terrorist events in 1987, the reasons for the decrease last year, and the prospects for the future regarding threats to US interests. The major factors behind the decline in terrorism in Western Europe include: an increased CT focus bi- and multilaterally; new legislation facilitating law enforcement actions; increased arrests of key leaders and rank and file members of terrorist groups; and reduced support for terrorist groups by the public at large.

One of the most dangerous terrorist groups in Europe is 17 November. There were two attacks against US interests in Greece in 1987 and one, thus far in 1988. 17 November expanded its methods last year, using remotely controlled bombs against US military buses vice the former emphasis on assassinating individuals. The government has made some headway against the group, but it remains a continuous threat to US interests.

In Spain, the Catalan Red Liberation Army (CRLA) appeared for the first time last year, claiming attacks on the US Consulate and USO facility in Barcelona. One US serviceman was killed in the latter attack--a seminal event in Spain, since there was an obvious intent to injure US servicemen. The CRLA also possibly targeted two US businesses last year.

In view of the group's putative capabilities, it is counted as a continuing threat to US interests in Spain.

The Red Brigades have targeted only Italians in recent years, conducting two attacks in 1987 and one, thus far, in 1988. They could target US

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interests again at any time. The government arrested over 70 members of the group, but it remains a continuing threat. The Union of Communist Combatants (UCC) was hardest hit by the government actions. Yet it is thought that the UCC rank and file may be rallying to the PCC (Communist Combatant Party) leadership and, perhaps shift to less well-protected targets.

In the FRG, the small Red Army Faction (RAF) hardcore remained quiet in 1987, but the RAF periphery conducted a number of low-level attacks. The government made no arrests of hardcore members last year. The RAF hardcore could resume attacks at any time.

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The Revolutionary Cells (RZ) are currently the most active group in the FRG, conducting a number of low-level attacks in 1987 and a few this year. The RZ also continue to pose a continuing threat to US interests.

Action Directe is temporarily inactive in France. While there were two minor incidents in 1987, Governmental successes against this group are thought to have seriously reduced its capability. The group does not appear to pose a threat to US interests at this time. However, the radical community provides the potential for new recruits. A successor group might operate under a different name, as has occurred in France in the past.

FP-25 has been inactive in Portugal for two years. Yet, key FP-25 leaders will be released from prison in the near future. And the government believes a support net still exists which could facilitate the group's resurgence. While the group bears watching, it does not now pose a threat to US interests.

Among the other groups in Europe, the Corsican National Liberation Front (FLNC), with some 200 members and possibly some 1000 supporters, has been very active. The FLNC claimed over 400 attacks--several fatal--in Corsica in 1987 against French and Algerian interests. They announced early in 1988 that they will target "multinational imperialism". The group can operate in Paris and Marseille (10 bombs in 1988); and could possibly attack US interests in those locations.

The French and Spanish governments have arrested significant numbers of Basque Fatherland and Liberty (ETA) members. However, while they continue to be very active, we have no reason to expect that ETA would attack US interests. Yet, as a Marxist-Leninist group, ETA could become a potential threat. The Provisional Irish Republican Army (PIRA), with some 800 members and 3,000 sympathizers, remains a significant force, despite a number of arrests by British forces. The high level of incidents involving PIRA could accidentally involve US interests.

The successful counterterrorist activities by the European governments reduced attacks on US interests from indigenous leftist groups in Europe in 1987. Nevertheless, many cells and clandestine terrorists remain at large. They can resume activity at any time. Even with advance information on the types and location of targets, it is difficult to predict and work against

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such a threat, e.g., as in the assassination of Christian Democrat Senator Ruffilli in Italy on 16 April. Thus we will continue to experience some level of successful terrorist activity.

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3. Possible ANO Resurgence. State/INR briefed on the evidence implicating the Abu Nidal Organization (ANO) in the attack on the Alitalia crew in Bombay on 25 March; the organization's status, the factors that support or inhibit increased activities outside the Middle East, the relationship between ANO and Iran, and prospects for the future.

In Beirut, the "Organization of Fedayeen Arab Cells"--a cover name similar to that used by ANO in claiming responsibility for the December 1985 attacks on the Rome and Vienna airports--claimed responsibility for the attack on an Alitalia crew bus in Bombay on 25 March. The perpetrator, Abbas Shahidi, a Palestinian, claimed membership in the ANO and claimed to have been targeting PANAM.

Some ambiguity remains about the intended target in Bombay, since all overseas flights arrive sporadically during a narrow time window. If the target was, indeed, Italian, it was probably in retaliation for the recent Italian sentencing to life, in absentia, of Sabri al-Banna. If US interests were targeted, as Shahidi claims, it was probably a PANAM flight that landed about the same time as Alitalia. Shahidi claimed to have received intensive political and military training in Lebanon before departing for India. He allegedly traveled to India from Lebanon with another ANO member; and he received his final instructions and arms from another ANO member in Bombay. He received the arms on the evening of 23 March. The grenades used were similar to those used in the September 1986 ANO attack on the Neve Shalom Synagogue in Istanbul and the 1976 attack on a hotel in Damascus. They were also similar to those found at the Saudi Consulate in Bombay on the morning of 23 March.

Subsequently, in Amman in April, there were two bombings--9 and 16 April--that were claimed by "Black September", the code name used by ANO in its attacks against Jordan. While it is questionable whether ANO has a viable infrastructure in Jordan, in view of the West Bank turmoil, INR believes that Abu Nidal could activate support there if needed.

[redacted] a split in Abu Nidal's organization. Last year, some 70 members reportedly were arrested for working with Jordanian, US and Israeli intelligence. Five of these individuals were reportedly executed; and the others are apparently confined in Hizballah camps in Lebanon--possibly awaiting execution. Some reports address a hardcore-moderate split in the ANO, with the radicals unhappy with Abu Nidal's promise to the PLO not to operate outside Israel and the Occupied Territories. If the reports of ANO's responsibility for the Bombay and Amman attacks are accurate, then a serious split seems less likely.

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We may see a resurgence in ANO terrorism. Sabri al-Banna has threatened to retaliate for the mid-February attack on PLO representatives in Limasol, for Abu Jihad's murder, and for the Israeli attacks on Abu Nidal camps in Lebanon. While the focus is on Israel, Abu Nidal could also lash out at the US.

[redacted] While discussions have been held, Iran appears to be moving with great care, to ensure Iranian interests are protected. Moreover, Tehran apparently is not yet convinced that Abu Nidal will act aggressively. One contentious point reportedly is Abu Nidal's refusal to target French interests or operate on French territory. Yet Iran has agreed, in principle, to contacts with the organization; [redacted]

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[redacted] We are unable to say with certainty whether ANO and Iran are preparing to cooperate in carrying out terrorist operations. Negotiations appear to be still on-going, and we have no concrete evidence that they are cooperating yet. Although there has been speculation about an ANO role in the recent Saudi attacks, it is premature to say ANO and Iran are working together.

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The threat to US interests lies in the context of ANO's targeting of Israel, as well as their long-standing hatred of the US. Events in South Lebanon and reduced capabilities to target Israel from there could precipitate attacks elsewhere. Given the murder of Abu Jihad, the Gulf attacks, and the continued close US-Israeli relations, the likelihood of attacks on US interests this summer is high.

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4. Threats to the Seoul Olympics. DIA briefed on the current terrorist threat to the Olympics, scheduled for Seoul in September-October, the likely timing and targets for potential attacks and possible mitigating factors, and prospects for the future. DIA assessed the North Korean threat to the Seoul Olympics, using JCS-approved factors that apply worldwide. The Rangoon bombing in 1983 and the recent destruction of KAL 858 point up the ability and intent of North Korea to use terrorism against the ROK. P'yongyang could attack in Seoul or elsewhere.

Kim will probably continue to use his own resources in these attacks, vice surrogates who are harder to control. The only known use of surrogates by P'yongyang was the attempted use of two Canadians in 1981 to assassinate the ROK President. Kim has a full array of military and civilian assets to carry out terrorist attacks anywhere in the world. While little is known about them, we believe that the North maintains covert agents in South Korea who could carry out or support operations directed from P'yongyang. (During the Kwangju uprising in 1980, North Korean radio reported near-real-time information about on-going activities there, indicating that agents were present in the city reporting events to the North.)

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The ROK government has done a good job in countering the threat from North Korea. Two unsolved bombings occurred in 1983 and 1986. They may have been the work of dissidents opposed to the government. If so, they would likely have been apprehended. Thus, responsibility for the incidents is unclear. Seoul emphasizes the threat from the North. Yet other groups are likely to exploit the Olympics' period. A Japanese Red Army (JRA) member, Osamu Marouka, captured in Japan last year, had a ticket to Seoul in his possession. And a Libyan terrorist, arrested in Senegal in February 1988, also apparently had plans to travel to South Korea.

P'yongyang will likely attempt to create a climate of danger and instability in South Korea, to dissuade participation in and attendance at the Olympics. North Korea will likely continue to focus on South Korean targets within and outside the ROK.

There is little evidence that China or the USSR will be able to impose a restraining influence in P'yongyang. North Korea could find overseas targets as more vulnerable, with easier escape routes--thus facilitating deniability. Kim may seek to delay future actions, until the furor over KAL 858 assuages and the Olympics are closer. An action nearer to the fall could cause cancellations of air and hotel reservations, disrupting planning. Moreover, any ROK reprisals following an incident could cause severe damage to the outcome for the Olympics desired by Seoul. Once the games are underway, a high security level inside South Korea would be a major restraining factor on terrorist planning.

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The Community's views on the threat to the Olympics is mixed. DIA assesses the threat to the Olympics from North Korea as medium, and as low from Middle Eastern and other (including JRA) terrorist groups. DIA states this threat could change, as the fall approaches. CIA/DI analysts believe there are many factors acting to inhibit North Korean terrorist actions. ITAC believes the threat from North Korea is high. FAA believes the threat from North Korea is high, and that the JRA also should be monitored closely. NSA, inter alia, remains very concerned about the terrorist threat leading up to the Olympics, characterizing the period as high threat, especially from North Korea. No consensus was discernable.

A number of indicators should be monitored, for indications of a threat to the Olympics:

- Major dramatic initiatives in the Korean Peninsula peace offensive.
- Unusual spikes in North Korean media attacks against the Olympics.
- Statements by transnational terrorist groups challenging the propriety of conducting the games in Seoul, or supporting P'yongyang's position.

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-Actions by opponents of the major terrorist groups, e.g., arrests or sentences, that could precipitate retaliation.

What occurs elsewhere is an important ingredient in whether other groups will choose to exploit the Olympics period. And as the flow of participants begins in September, the enroute threat will increase. If groups outside North Korea have coincident goals with P'yongyang and have relevant capabilities, then these groups should be monitored closely.

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